

~~SECRET~~

IAC AD HOC COMMITTEE ON EXCHANGES

Minutes

26 August 1958

Present:

Mr. Gatewood, State
Mr. Uglietta, Army
Lt. Cmdr. Dorr, Navy
Col. Goforth, AF CIN
Col. Brewer, JIG
Mr. Riehl, ATTC
Miss McClellan, USIA
Mjr. Jelich, AF CIN

25X1A9a

Col. Little, IDC (Present for discussion on Defector Program)
Secretary and Acting Chairman, CIA

25X1A9a

INTRODUCTION

1. The minutes of the 16 July meeting were approved.
2. The Secretary, [REDACTED] was acting chairman for this 25X1A9a meeting in the absence of [REDACTED]

ACTION MATTERS

1. Expansion of Activities. The Chairman noted that the full story on the expansion of Committee activities to include consideration of exchange of materiel with Bloc countries was explained in the Status Report. He noted that the referenced document was IAC-D-103/7, dated 8 August, as amended by IAC-M-356, 12 August 1958. The amendment covered the responsibility of the Committee members in regard to the complete view of the Department of Defense regarding materiel considerations. 25X1A9a [REDACTED] expressed the opinion that the Committee should now be dealing with the Townsend proposal and several others. The Chairman expressed the belief that the Committee was merely on call by the OCB but agreed to check with the CIA, OCB representative. Some discussion ensued regarding the advisability of compiling lists of desirable items and items which might be offered the Soviets in return for desired items. It was agreed to postpone any activity in this regard until a determination was made of what OCB expects of the Committee.

2. Relationship of Exchange Program to Defector Program. Col. Little, Chairman of the Interagency Defector Committee, led off the discussion by

D-E-C-R-E-T

giving background on the proposal being considered in the IDC. He pointed out that the preliminary draft for the IDC expressed the belief that there was considerable gain being made by ~~exploiting the Soviet access~~ to the USSR and that there was no intention of upsetting this program. The Chairman said that he did not believe that it was necessary to have an exception to the present restriction against defector inducement in regard to the Exchange Program since the valuable exception situation could always be reviewed at high level even under the present setup. Col. Little noted that NSC #5706 was the policy paper for the Defector Program. He agreed that when the draft of IDC's views on the relationship of the two programs was completed, it would be made available for review of the IAC Ad Hoc Committee on Exchanges. He noted that the presence of Col. Goforth and Mr. ~~██████████~~ on both committees, assured coordination of the views. It was felt that no action was necessary at this time in light of the opportunity of reviewing the paper prior to IAC consideration.

25X1A9a

3. Scientific Exchanges. The Chairman noted that the draft letter from Dr. Bronk to Dr. Nemeyanov had been changed in one important regard. The principle of a periodic review had been abandoned in favor of "the understanding that both of our organizations will continually strive to maintain an equitable balance of visits carried forward under this agreement". It was noted that this was in theory a great improvement because periodic negotiations with the Soviets would not be fruitful since many criteria could be applied. Mr. Channing noted that the letter had been cleared for Dr. Bronk's signature and might well be on its way to the USSR at the present time. The principle objections to the proposal as stated seemed to be that there is a serious lack of an organized program of scientific exchanges, and that the letter seems to do nothing to propose a precise remedy. ~~██████████~~ noted that there is a tentative plan for a Committee with representation from NSF, NAS, the Science Advisor, EWC, and intelligence to determine net advantage situations. It was noted that OSI suggested several criteria e.g., level and currency of knowledge, length of stay, type of institutions involved, and area accessibility. It was also noted that the Committee is in favor of relaxation of firm reciprocity in so far as not requiring that each exchange be exactly parallel but is alarmed at the lack of mechanism for weighing and bringing the situation into balance. It was agreed that the Secretary would draft a proposed letter to EWC expressing the Committee concern and suggestions. The letter will be cleared with the members.

25X1A9a

4. Briefing and Debriefing Procedures. The Chairman noted that Mr. ~~██████████~~ had suggested a coverage of developments regarding briefing and debriefing procedures in the Fourth Semi-Annual Report. In reviewing developments under the established procedures, he had noted that the briefings in particular were not organized for optimum results. Even allowing for the difficulties imposed by chaotic negotiating conditions, there was much room for improvement. It was suggested that all members familiarize themselves with the procedures and the Secretary in turn agreed to take a

25X1A9a

S-E-C-R-E-T

closer look at each briefing in line with his assigned responsibility and to call attention to such failures as lack of coordination, lack of preparation, and failure to notify all interested parties.

5. Project Initiation. It was noted that the Department of State would be better able to serve intelligence needs if some of the intelligence inspired private initiations could be organized in conformity with State Department policies or if exceptions could be fully explained.

25X1A9a

6. Exhibits. [REDACTED] noted that OSI could see no possibility for substantial intelligence gain in regard to US exhibits in the USSR other than their propaganda value. It was generally agreed that except for the possibility of placing briefed intelligence officers or sources in the USSR for limited periods of time, there was no specific interest among Committee members.

25X1A9a

7. Exchange in the Field of Thrift Institutions. [REDACTED] pointed out that it was inevitable that the US delegation would get into considerations of investment policy and that this was of interest to the intelligence community. [REDACTED] pointed out that if the exchange was restricted to savings operations, there was little interest but as it expanded into lending operations including the small home loans and got into further investment policy, interest grew. It was agreed that the Secretary would draft a memorandum expressing the intelligence interest as noted and offering the services of a Committee technical consultant in planning the exchange. This note will be circulated for approval.

25X1A9a

8. Eleventh Annual Southwestern IRE Conference and Electronics Show. The Chairman noted that this was one of the categories of conferences which the Committee had informed the Department of State should be looked at carefully before non-reciprocal attendance is permitted. [REDACTED] said 25X1A9a that OSI felt that this should be done only on a reciprocal basis with the tour attached because tours seem inadvisable to be permitted in connection with conference attendance in this field and because the Soviets had not come to an agreement regarding the Electronics Exchange. It was then reported that the Soviet reply on the Electronics exchange had been received but was not translated. It was agreed that any reply concerning this would await the review of the Soviet reply concerning the Electronics exchange. A memorandum to be forwarded to the Department will then be prepared for the Committee by the Secretary and circulated for telephone concurrence.

9. Guided Missiles Exchange. The detailed proposal from GMIC was not available, but Cmdr. Dorr reported that the [REDACTED] reply had been prepared by the GMIC Collection Subcommittee and should be received in the very near future. This reply followed closely the Air Force proposal but had been

S-E-C-R-E-T

S-E-C-R-E-T

reviewed carefully. Col. Goforth reported that it contained a net advantage evaluation and a specific proposal in one field. This proposal would be connected with the IGY. The GMIC Subcommittee did not recommend a course of action to be followed since it considered this to be beyond the scope of its responsibility. Col. Goforth suggested that in the future the Committee use ad hoc subcommittees when dealing with these guided missile problems rather than referring them to GMIC. The Chairman noted that a memorandum had been received from Col. Bull, Air Force, indicating dissatisfaction with the amount of time used in reviewing the Air Force proposal and this was a remedy suggested. The Chairman said that past Committee experience with established EIC, SEC, and other committees including GMIC had been very satisfactory and that additionally it seemed unlikely that the IAC would proceed with a paper in this field without GMIC endorsement. Col. Goforth indicated that GMIC would be happy to review anything but did not want to do the initial preparation. The Chairman indicated that if Col. McFarland preferred this method of operation and the members concurred in Col. Goforth's proposal, an ad hoc subcommittee could be formed for the next guided missiles proposal. In response to Col. Brewer's question, the Chairman said that the procedure for forwarding the guided missiles proposal would be developed by advice from Gen. Cebell after the Committee had completed its review. It was agreed that the Committee would include some advice on handling the delegation in order to protect the net advantage situation. This might include an advance agreement but no change could be made in the agreed itinerary. It was agreed that a meeting might be called in the near future if the guided missile review was received.

10. Polish Nonferrous Metals Exchange. It was agreed that the request from the Department of State would be referred to the EIC Subcommittee on Minerals and Metals for review. [REDACTED] said that there was no urgency on this one from the Department of State's viewpoint.


11. Polymer Exchange. Mr. Riehl outlined the field of polymers as including plastics, synthetic rubber, and some missile fuels. Col. Goforth asked that the phrase "through USAF contingent funds" be removed from any future papers on this proposal. The Chairman raised the point that this proposal seemed to be the type recommended in the general advice concerning students and professors. He added that the implication that the US professor did not speak Russian seemed to weaken the case and possibly should have been considered in the Committee advice. There were several details of the proposal which were unclear and Col. Goforth asked that action be suspended until these could be supplied.

12. Fourth Semi-Annual Report. The first drafting session on the Report took place, and a number of suggested changes will be embodied in the second draft. In addition, [REDACTED] suggested that an expansion of the statistical data was in order and agreed to supply material used in an article on exchanges in Soviet Affairs, July 1958. He also asked that a list of the proposals forwarded by the Committee be supplied to Committee

S-E-C-R-E-T

members. It was agreed that this was desirable but should not be included in the Report to the IAC. Mr. Uglietta suggested that the Report should include a mention of the Soviet reluctance to deal with exchanges having military affiliation as reported previously by the Secretary. It was also suggested that the firm Soviet resistance to closed areas, reluctance to supply satisfactory electronics and automation tours, the lack of a specific scientific program, and the failure of the Soviets to supply a list of conferences taking place in the Soviet Union be added in the appropriate place. A second draft will be prepared and reviewed at the next meeting.

25X1A9a



/jb

S-E-C-R-E-T